

Hotels & Chains in Switzerland

2019



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Heinz Wehrle
Managing Partner
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2018 has been a rather positive year for the Swiss hospitality sector and gives rise to hope, that this trend will continue. Looking at the international development, we notice, that the concentration of the big brands continues. M&A deals signed by Accor with several international well-known companies / brands like Mövenpick, Banyan Tree and 25hours or IHG with Six Senses are showing, that the big players are acquiring entry into niche markets and segments. The success from development of own new brands has been limited and for them to grow and gain market shares by investments does make sense. Hotel groups with their brands are doing well in the cities and urban areas but besides a few exceptions, they are struggling in the rural areas. This is the home turf of the resort and vacation segment, a big and strong sector of the Swiss hospitality. Can groups tap into this segment and fill the gap in their portfolio?

What does the domestic group landscape look like?
Out of 142 chain affiliated hotels, 82 are unbranded.

A big asset and value for a hotel company is the brand. The last well known brand "Mövenpick" has been sold. Switzerland is waiting for the development of a brand to conquer the international tourism market. Switzerland itself is a fantastic brand and numerous brands like Rolex, Victorinox, Lindt, EHL, Matterhorn – just to name a few – made themselves globally well known and add to Switzerland's reputation in the world.

Looking at the changes in the world of communication and information, probably new structures and setups will find their way also into the hospitality sector writing the next success story made in Switzerland.

Editorial

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The positive developments in respect of the number of overnight stays last year is a source of great relief to the hospitality industry. It is refreshing to see that the number of guests from both home (+2,9%) and abroad (+4,5%) increased in similar measure. It is to be particularly noted that the figures for the countryside and the mountain regions – that is to say, those areas most affected by structural changes – also enjoyed a positive development.

Chain hotels serve to strengthen Switzerland's place as a tourist hot-spot, because the marketing driven by such chain hotels through their own advertising campaigns not only serves to benefit themselves, but rather, they also make a great contribution to marketing the cities, the regions – indeed, the entire country as a whole!

However, despite this euphoric rhetoric, it must also be said that the improved competitiveness on the part of the Swiss hotel industry is partly down to price adjustments. Accommodation prices were some 5% lower in 2018 than they were in 2010. And the level of accommodation income achieved per overnight stay in hotels has been sinking for some 10 years now. Therefore, not all businesses have yet fully benefitted from the upturn.

One central guarantor for success which remains detached from the aforementioned factors is the quality to be found within the Swiss accommodation industry. And in order to ensure continuity, the industry is dependent upon well-trained professionals and young recruits. It is vital for the industry to continue its work towards providing the necessary working conditions and educational landscape that help attract and keep talent within the industry.

It is such a pleasure for me to see that so many businesses have recognised and faced up to this challenge and that they have already implemented innovative measures to successfully deal with it. For example, the chain hotels are amongst those who offer their own, in-house academy and schooling programmes to their employees, to prepare them and get them ready for the challenges they will face within the sector.

This kind of engagement fills me with confidence and shows that the hotel industry itself is ready to face all future tasks with an amazing amount of self-motivation!



Swiss Hotel Industry

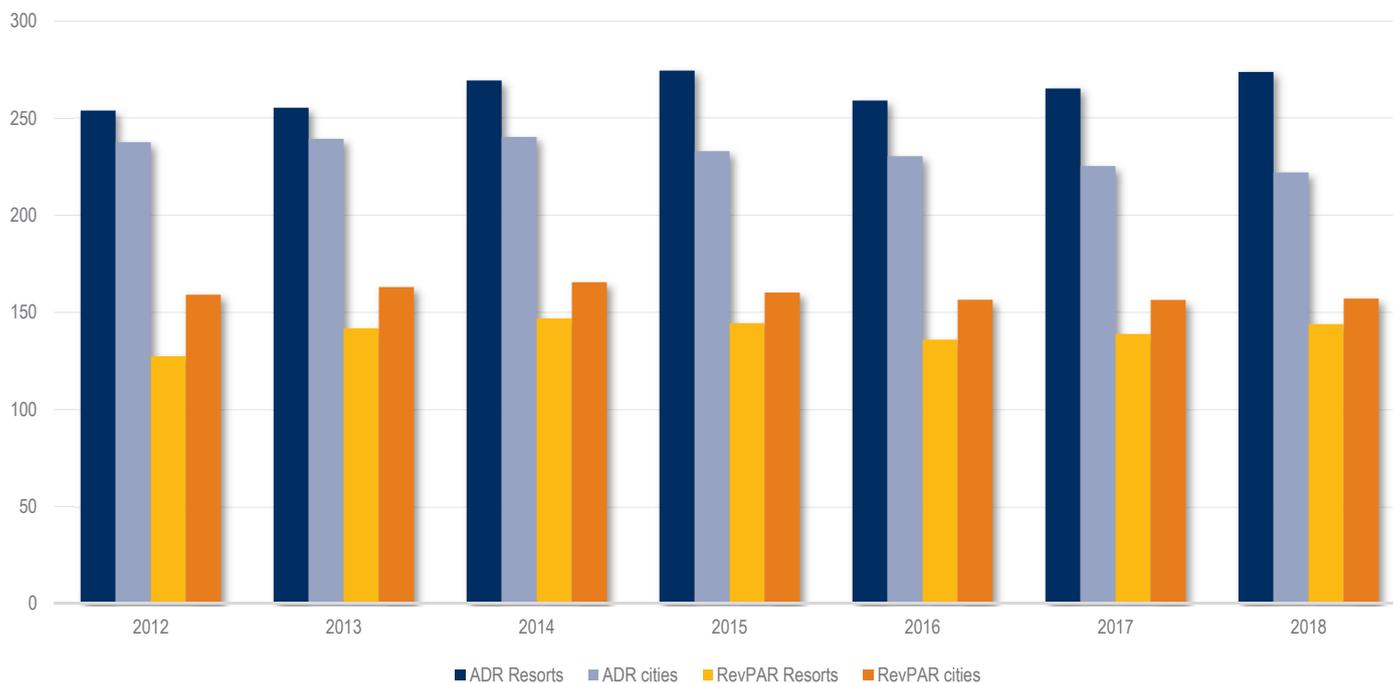


Development of Nights

At 38.8M nights, 2018 was a record year for the Swiss Hotel industry. Never before were there so many nights, and foreign guests spent more nights in hotels (+4.5%) than the Swiss (+2.9%). The overall growth rate was at +3.8% and recorded increases in 11 out of 13 tourism regions. Only Ticino and the Fribourg region were battling plummeting nights. Cities profited most of this growth (+5,7%)¹ but also mountain resorts saw a marked increase of 5%². However, one should not forget that the catching-up especially of the European visitors after the financial crisis and Swiss Franc shock has not been concluded yet. Nights spent by Europeans in mountain resorts are still 43% below what they were 2008. Nationwide nights are 26% less than 2008. According to STR the overall occupancy rates was at 67.4% and thus 2.2% higher than the previous year. In cities occupancy was recorded at 70.8% - the highest value since they started recording in 2012. Occupancy in resort destinations averaged 53.6% - same as the previous years. Apart from Ticino, Fribourg and the deficit of European guests, the development of nights is rather positive.

1 Large cities according accommodation statistics (HESTA), Federal Statistical Office: Zürich, Geneva, Basle, Lausanne, Berne, incl. catchment areas
 2 Mountain regions according accommodation statistics (HESTA), Federal Statistical Office: Municipalities at over 1000 m above sea level or visited because of a nearby mountain

Development ADR and RevPAR in Swiss Francs (STR)



Financial situation

The positive development of nights is only one piece of the puzzle when looking at the economic situation of Swiss hotels. The flip side of the coin is marked by prices and revenues. In the wake of the appreciation of the Swiss Franc many accommodation establishments reacted to declining demand by dropping their rates. In 2018 prices for accommodation were 5% below those in 2010. So, it comes as no surprise that room revenues have been in a slump for 10 years as graph 1 on page 4 vividly illustrates. On the one hand, lowering rates served to compensate competitive disadvantages against foreign destinations. On the other hand, it led to a decline in profitability. The cost structure of many hotels did not leave much room for manoeuvring and profits have dropped by up to 15% for some businesses. STR attests Switzerland an ADR of 213.90 CHF (-0.1% over 2017) and a RevPAR of 144.10 CHF (+2.2% over 2017). ADR and RevPAR in cities³ have been dropping for four years now – at CHF 222 in 2018 the ADR was 1.5% below that of 2017. This is a result of increasing supply in the cities. RevPAR stabilized last year and was 157.1 CHF - 0.4% higher than in 2017. In resort destinations⁴ hotels were able to increase their ADR to 273.8 CHF (+3.3% over 2017). RevPAR recovery there has already started two years ago and grew by 3.6% in 2018 amounting to 143.9 CHF.

What the future holds

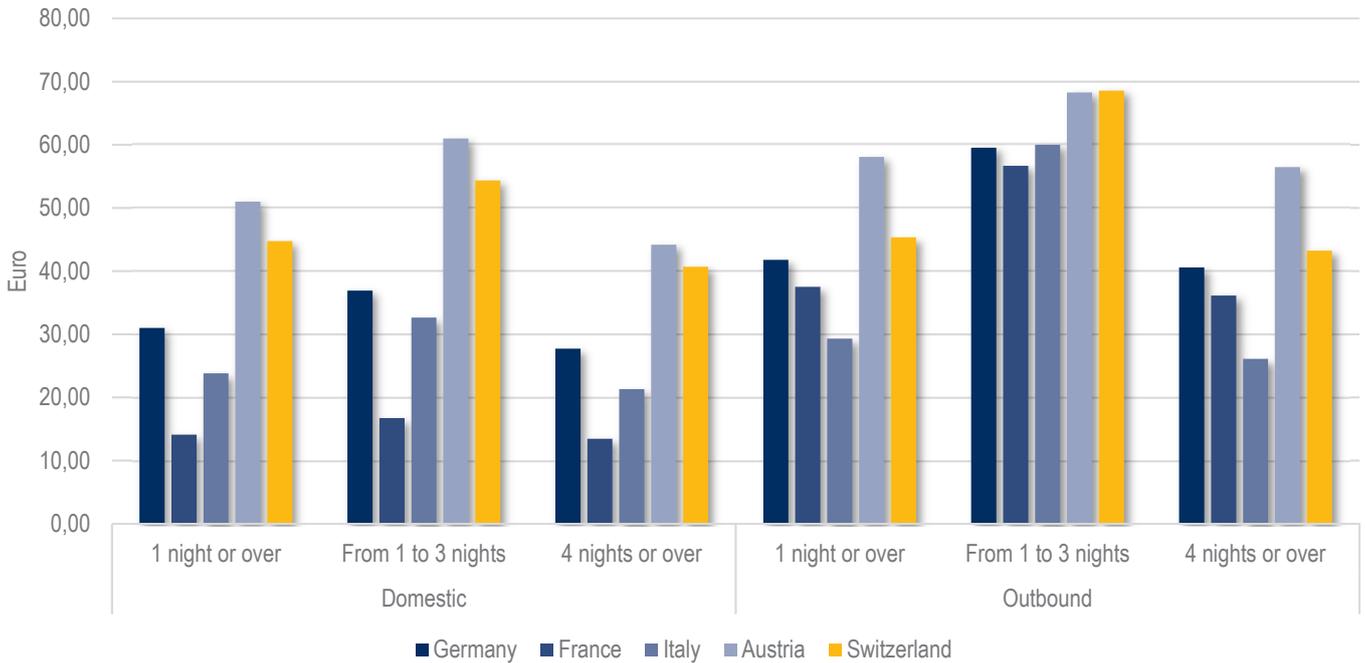
The economic research department of ETH Zürich predicts a further increase of nights, albeit at a less optimistic pace than the past seasons. The main reasons being currency exchange rate risks and slowing global economic conditions. Furthermore, the excellent snow condition in the winter season 2017/18 followed by an excellent summer cannot be replicated at will.

Based on the above and in the opinion of hotelleriesuisse, one cannot thus far speak of a permanent turnaround. One thing is certain, though: the number of nights shows an upward trend, and this helps the hotel industry. Yet, it is just as important to monitor the developments of rates and profits as well as regional specifics. The industry still suffers from a massive capital expenditure requirement and is reliant on well trained and qualified staff. Both shortages can be successfully countered through improved rates and profits.

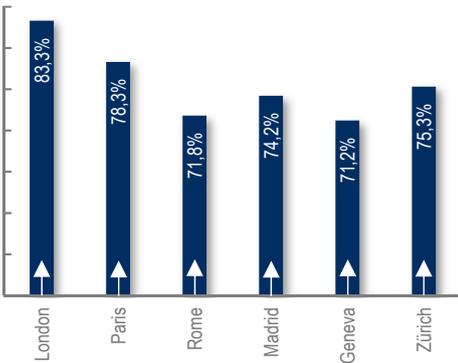
³ Cities: Zürich, Geneva, Basle, Lausanne, Berne

⁴ Resort destination: Grisons, Valais, Bernese Oberland, Ticino

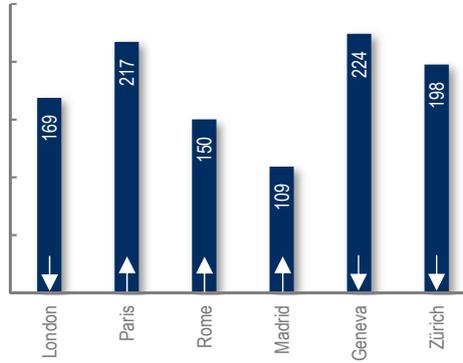
Expenditure on accommodation per night (Eurostat)



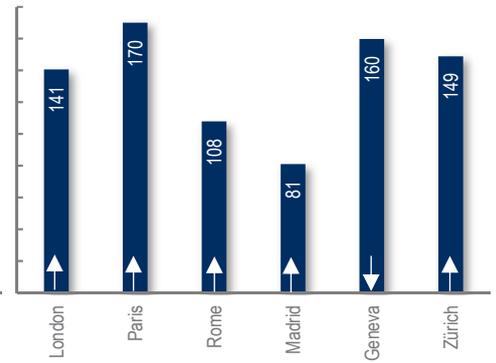
Occupancy (%), 2018 compared to 2017



ADR (€), 2018 compared to 2017



RevPAR (€), 2018 compared to 2017



Austrians are generous

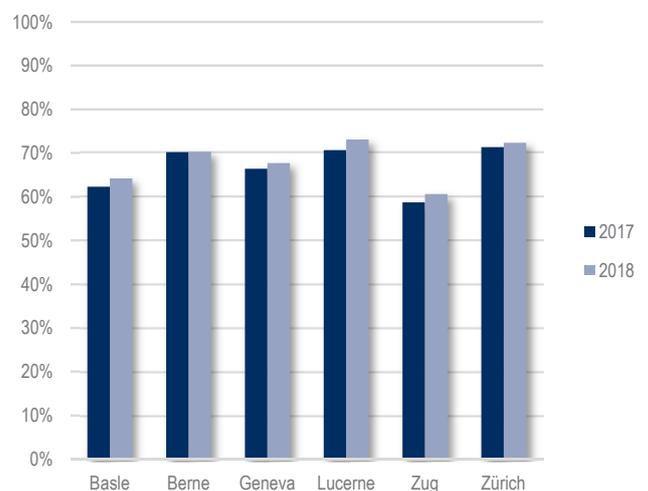
Interestingly enough, 2016 Eurostat data suggests that our Austrian neighbours are the most generous people when it comes to spending money for accommodation, regardless of the destination or length of trip.

The hype around Zürich and Geneva

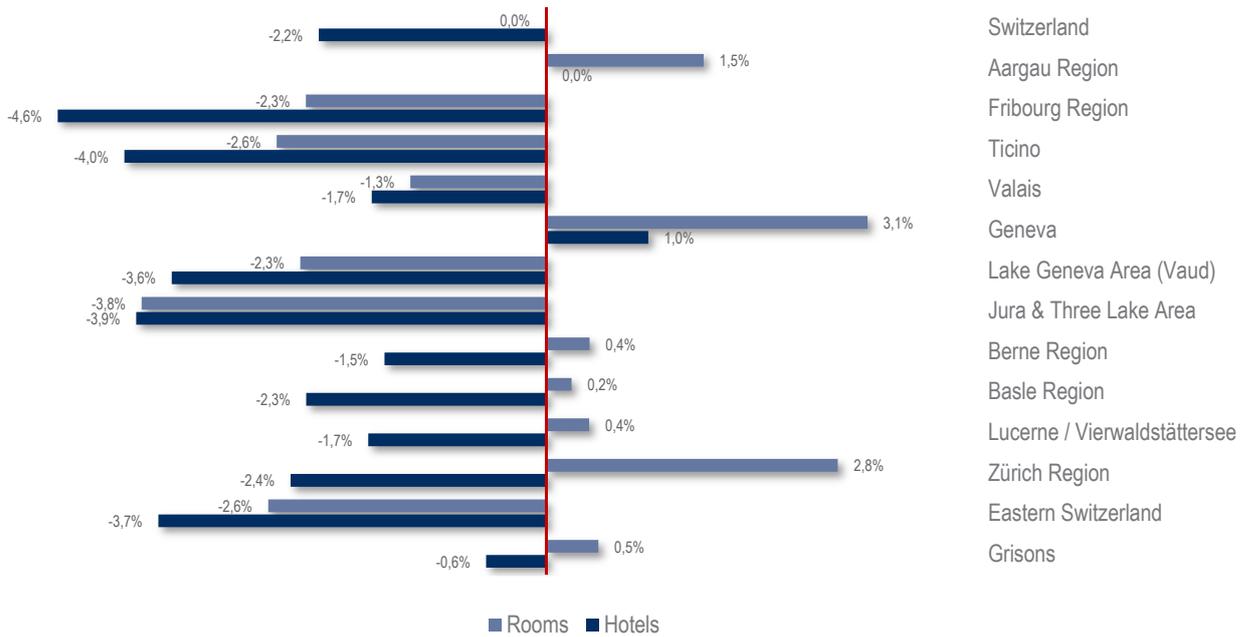
With the exception of market leader Accor, large and international hotel chains focused their expansion mostly around Zürich and Geneva. This, despite the fact that other, smaller cities do just as well.

Smaller domestic chains and those from the DACH region may capitalize on the „big boys“ playing only in big cities. They are still slow in moving to lower grounds, despite a few projects now in the pipeline.

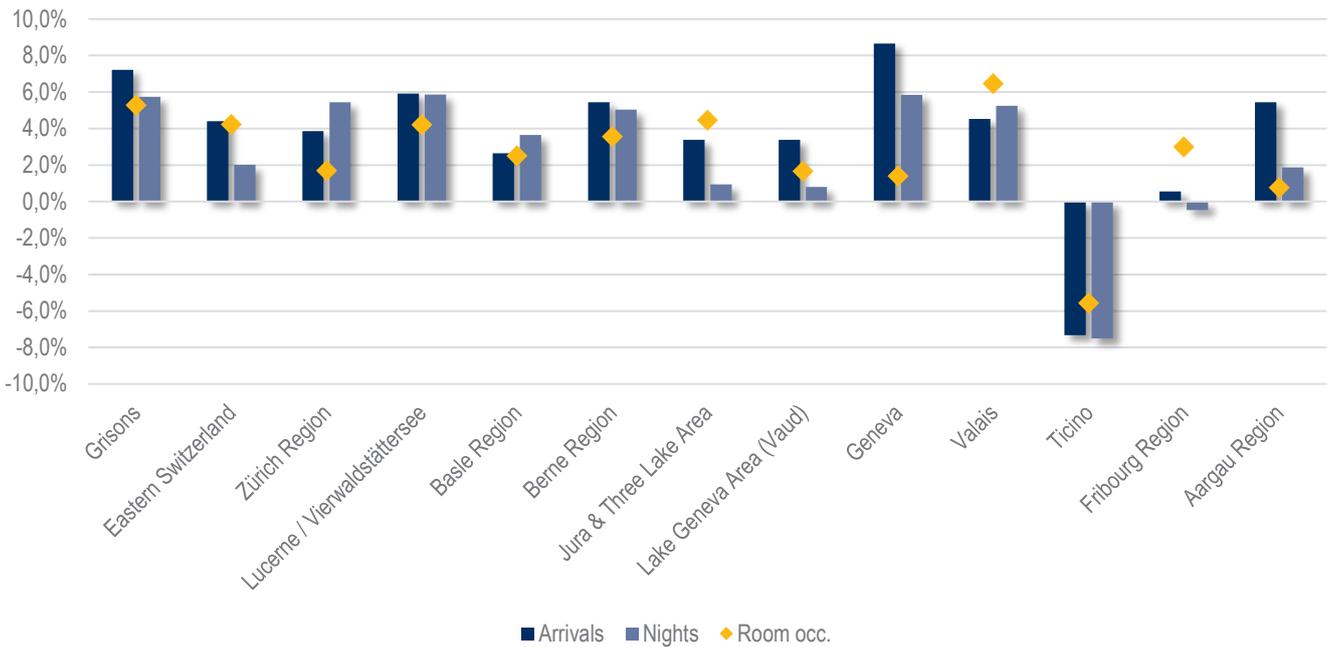
overall market room occupancy rates by city (BFS)



Development of Supply 2018 vs 2017 by Tourism Region (BFS)



Development of Demand 2018 vs. 2017 by Tourism Region (BFS)



2018 - a good year for Swiss tourism

In 2018 Swiss tourism was yet again marked by growth in arrivals (+4.3%) and nights (+3.8%). Domestic guests produced a bit over 493K nights more than in the previous year while visitors from abroad generated a plus nearly doubling this number: almost +921K.

At a 9% market share, Germany remains the most important source market, followed by the US with 5.4%.

Ticino

Ticino was the only Swiss canton with a marked decrease in arrivals and nights in 2018. This drop in performance is almost exclusively due to less Swiss residents travelling to their sun-room. At this point it's important to understand, that in 2017 Ticino had very much profited from a special client deal by a large bank as well as the opening of the new Gotthard tunnel, which inspired lots of curious people to make the trip south.

Country	Key Benchmark	Baseline		Best Practice	
		Business Hotel; per Guest Night	Vacation Hotel; per Guest Night	Business Hotel; per Guest Night	Vacation Hotel; per Guest Night
Switzerland	Waste to Landfill	0,0018 m3	0,0040 m3	0,00127 m3	0,0028 m3
Austria	Potable Water	0,15227 kL	0,40448 kL	0,10659 kL	0,28314 kL
Germany	Energy	138,000 MJ	258,100 MJ	97,000 MJ	180,700 MJ
Switzerland	Greenhousegas, Scope 1 & 2	0,00372 t CO2-e	0,01569 t CO2-e	0,0026 t CO2-e	0,01099 t CO2-e
Austria	Greenhousegas, Scope 1 & 2	0,00219 t CO2-e	0,01161 t CO2-e	0,00153 t CO2-e	0,00813 t CO2-e
Germany	Greenhousegas, Scope 1 & 2	0,0117 t CO2-e	0,01208 t CO2-e	0,0082 t CO2-e	0,00846 t CO2-e

Source: 2018 data, EarthCheck Research Institute (ERI), <https://earthcheck.org/research/>

A sustainability journey simplified using benchmark data

The complexity of operating a hotel over generations is undisputed. Far-reaching changes in how business is handled besides the merging of the market segments further adds to this traditional complexity.

It is therefore understandable that in discussions between hoteliers the prevailing legal status quo on sustainability aspects, relevant to energy, water and waste, etcetera is brought up quickly to support a “Don’t fix it, if it ain’t broken” position.

Laws are helpful but are nationally limited. Much of what influences today’s and future businesses does not care much about national boundaries.

The way of incorporating sustainability into a functioning hotel operation is characterized by additional work and doubt. If that was not the case, sustainability would have been absorbed into normal hotel business practices as quickly as the Internet or Revenue Management.

A simple guide for sustainability is: „What you measure, you can manage“. The question of what should be measured is then already a first step on the sustainability journey. A possible answer, for example could be to subscribe to the 17 UN Sustainable Development Goals. The Sustainable Development Goals, adopted in 2015 by all world leaders, are the United Nation’s blueprint towards achieving a more sustainable future and are connected to the Paris Agreement on Climate Change. The Goals can be found on the UN’s website.

Further valuable help is regional & hotel-type based benchmark figures.

It helps to know what the baseline benchmark is (e.g. in water consumption in cubic meter per guest night) and what the best performer achieves. This is similar like every experienced hotelier observes the average room occupancy and ADR of his/her competitors.

The comparison outcome influences how a hotelier decides which of the many available options to choose in order to start or expand his/her sustainability journey. Two types of results with different timelines will appear:

In the short to medium term, economic results such as cost reduction (ROI) and holistic guidelines on investment and strategy:

Country	Savings in one year	
	Business Hotel, 364 rooms, City centre	Vacation hotel, 65 Villas
Australia	100,658 USD	
Indonesia		288,050 USD

Source: EarthCheck ROI White Paper, Research Institute (ERI), <https://earthcheck.org/research/>

In the medium to long term, increases in brand image besides secondary economic results by retaining motivated employees and through increased exchange with interested market segment groups.

Dr. Susanne Becken, Professor of Sustainable Tourism at Griffith University, Australia, states, „Our research shows that a company adopting the EarthCheck standard has annual water consumption reductions of six (6) percent and electricity of seven (7) percent and waste disposal up to fifteen (15) percent.,,“

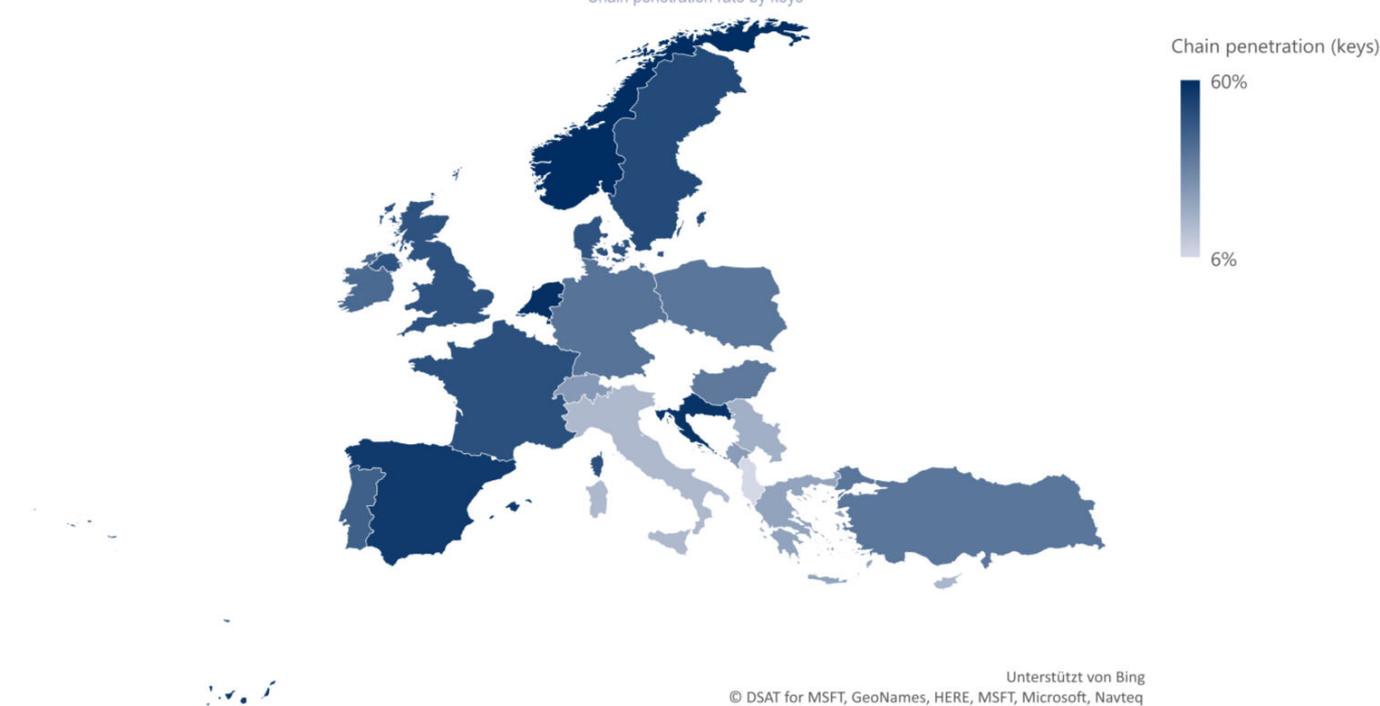
Horwath HLT Switzerland attaches great importance to holistic business consulting. Therefore, in November 2018 Horwath HTL expanded its service lines through a cooperation with EarthCheck - the world’s leading data-based certification and advisory group for sustainability in the hospitality, travel and tourism industry.

Link: [Sustainability Development & Audit](#)



Hotel Chains in Switzerland

Chain penetration rate by keys



Chains penetration by keys in selected European Countries (2018);
source: Horwath HTL EMEA offices.

There has been a significant amount of growth of Chain hotels in 2018

There have been two big stories over the last 25 years in the industry, and we look at them both in the report. The first has been the inexorable growth and expansion of branded hotels and their wider significance in the landscape of hospitality. Every year sees the creation and introduction of more and more brands, both international and domestic, as a way to drive market share through identity, segmentation and increasing scale. This is being done in a variety of ways, either through the introduction of brands with a proven track record in other countries, the creation of new brands from scratch or the slicing and dicing of existing brands to make them go further.

The second large trend has been the change in the model for owning and operating hotels. What impact has this asset light approach had on growth? What is interesting, and a complicating factor, is how each market has a different tolerance for each model and how that can work for/against chains trying to sign more deals.

For the edition of the European Hotels & Chains Report 2019, we have collected data from 22 European countries, ten more than last year, and have year to year data from 12. This means a really fascinating spread from countries like Albania with 12 Chain hotels all the way to France with 3,885. The spread and the scale of the market is impressive, let's start with some overall numbers. The market (22 countries) has a grand total of 146,616 hotels, which accounts for just over six million bedrooms. The average number of rooms per hotel in the market is 61, and range from a massive 238 in a resort destination like Cyprus, to 20 in Albania. Two of the largest markets, France and Spain, have a very disparate number with the average French hotel having just 36 rooms and the average Spanish hotel 94.

James Chappell, Horwath HTL Global Business Director

Link: [European Chains & Hotels Report 2019](#)

Key Figures	2016	2017	2018	Growth %
Chain Hotels	218	272	312	14,7%
Chain Rooms	25'448	30'109	33'775	12,2%
Average Size of Hotel (rooms)	117	111	108	-2,5%
Swiss Hotel Stock	4'456	4'418	4'261	-2,6%
Swiss Room Stock	127'939	131'175	129'174	-0,6%
Average Size of Hotel (rooms)	28,7	29,7	30,3	2,1%
Chain penetration by Hotels	4,9%	6,2%	7,3%	17,8%
Chain penetration by Rooms	19,9%	23,0%	26,1%	12,8%
Total Number of Brands	58	65	73	12,3%
Domestic Brands	8	8	9	12,5%
International Brands	50	49	64	12,3%
Second tier operated Hotels	n.a.	48	45	-8,2%
International Chains Hotels	135	158	171	8,2%
Domestic Chains Hotels	83	114	135	18,4%
International Chains Rooms	17'894	20'719	23'352	12,7%
Domestic Chains Rooms	7'554	9'390	10'423	11,0%

Chain growth

The chain penetration rate by key is already at over 26% and growing fast. 38 chain hotels with roughly 4,800 additional keys will be added to the existing supply in the next three years.

The strong pipeline will continue to push smaller and outdated supply out of the market. In the Zürich region, 15 new chain hotels will add approx 2,200 keys to the existing supply in all categories. Happily, and contrary to previous year's report, in 2019 the pipeline does not only include city hotels in A & B cities.

2018 Switzerland's largest domestic chain group, Mövenpick, was acquired by Accor. This transaction leaves the country with only one internationally renowned hotel chain: Kempinski. However, Kempinski operates only two hotels in Switzerland itself and ranks only 7th as a domestic group and 3rd as a brand.

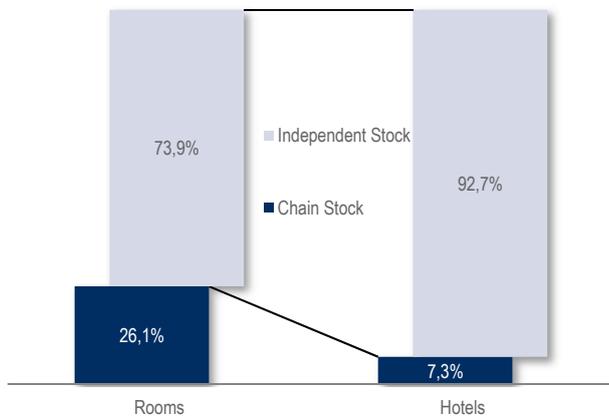
International upscale & upper upscale hotels are the largest in Switzerland: they have 167 rooms on average; this is more than 4 times the size of the smallest category - domestic 1-2* chain hotels - with an average 38 rooms per property and double the size of their domestic counterparts.

Thank you!

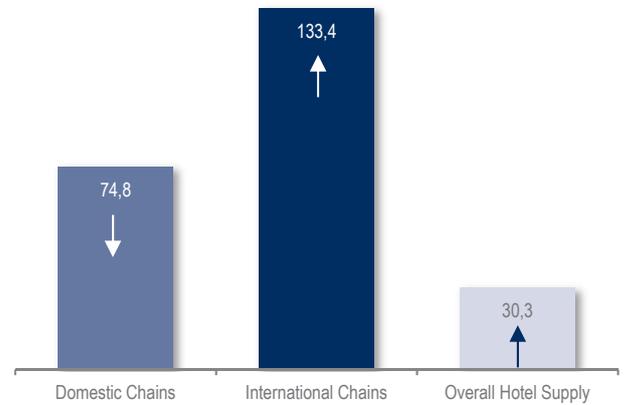
This year the census was made even more accurate and reliable thanks to the kind support provided by:

25 hours	Hotels by Fassbind
Accor	IHG
Andermatt Swiss Alps	Marriott
B&B	Radisson Hotels
b_smart	RIMC
Balance Hotels	Sophos Hotels
Best Western	Sorell Hotels
Choice Hotels	Sunstar Hotels
Fassbind Hotels	SV Hotels
Ferienverein	TUI
Hauenstein Hotels	Wyndham
Hilton	

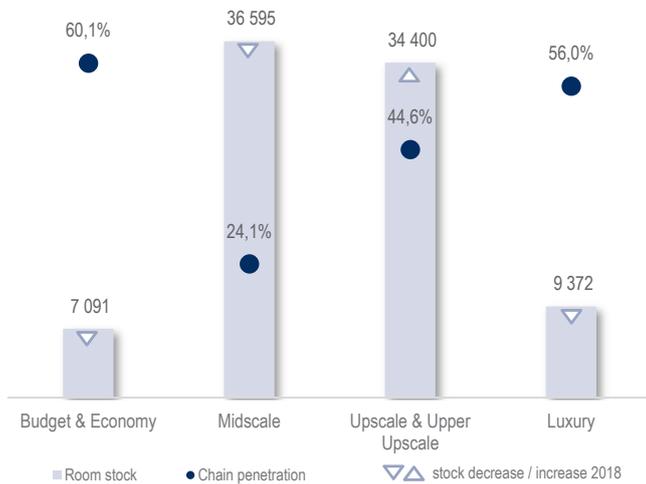
Chain penetration rate in Switzerland by number of hotels and rooms, 2018 (Horwath HTL census)



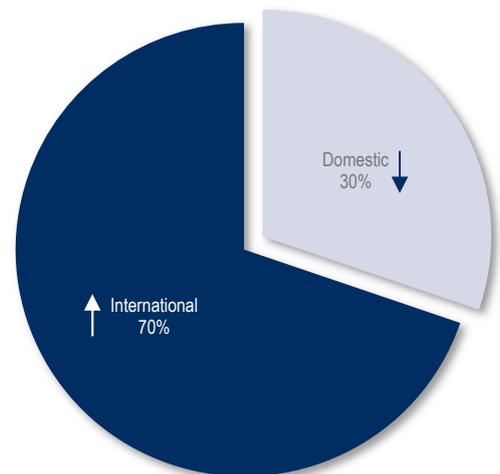
Average size of hotel by number of rooms, 2018 (Horwath HTL census)



Swiss hotel room distribution and chain penetration by category (Horwath HTL census)



Chain Room Stock by Origin, 2018



Openings slightly increased in 2018

Even though there have been a number of new additions to the chain affiliated hotels in Switzerland in 2018, not all of the increase depicted in the table above resulted from it.

Part of the growth is owed to the fact that some domestic hotel groups have exceeded the threshold for being considered through acquiring their 5th hotel.

Re-branding and new hotel openings account for 14 additional hotels and 1'375 rooms throughout Switzerland. With the addition of only one Ibis styles, things were a bit more quiet after the previous years' openings in Geneva.

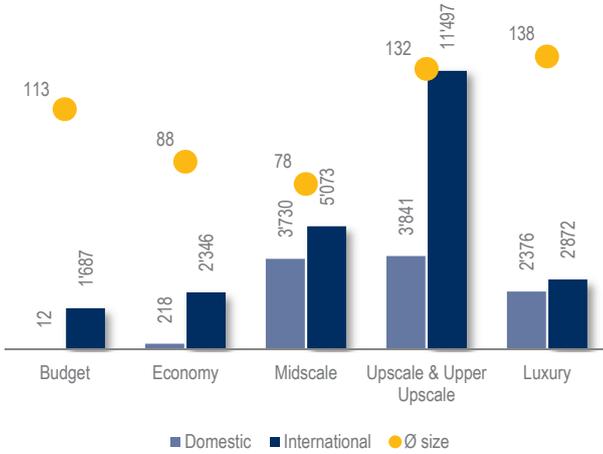
Four new brands

With a-ja Resort, Hard Rock Hotel, b_smart and B&B four new brands entered Switzerland in 2018.

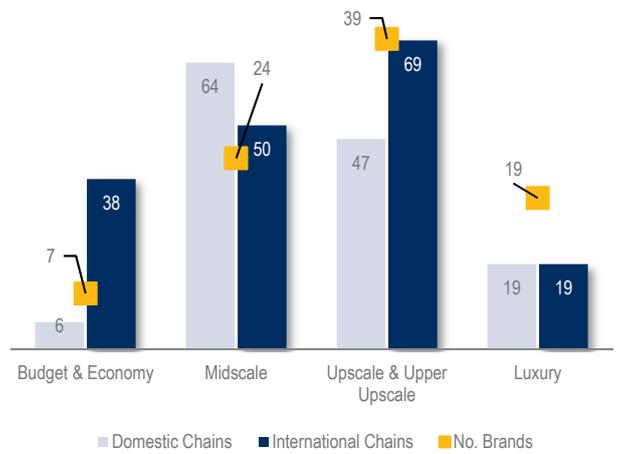
82 out of 87 unbranded chain hotels are operated by domestic chains. 48% of the unbranded hotels are in the midscale category and 36% in the upscale & upper upscale category, 10% in luxury and the remaining 6% in the budget & economy category.

Even though, the share of domestic chain room stock dropped from 31% to 30% it betrays the fact that the share of domestic chains hotels increased from 42% to 44%. Hence, the decreasing average size of domestic chains hotels.

Chain rooms by category and average size, 2018 (Horwath HTL census)

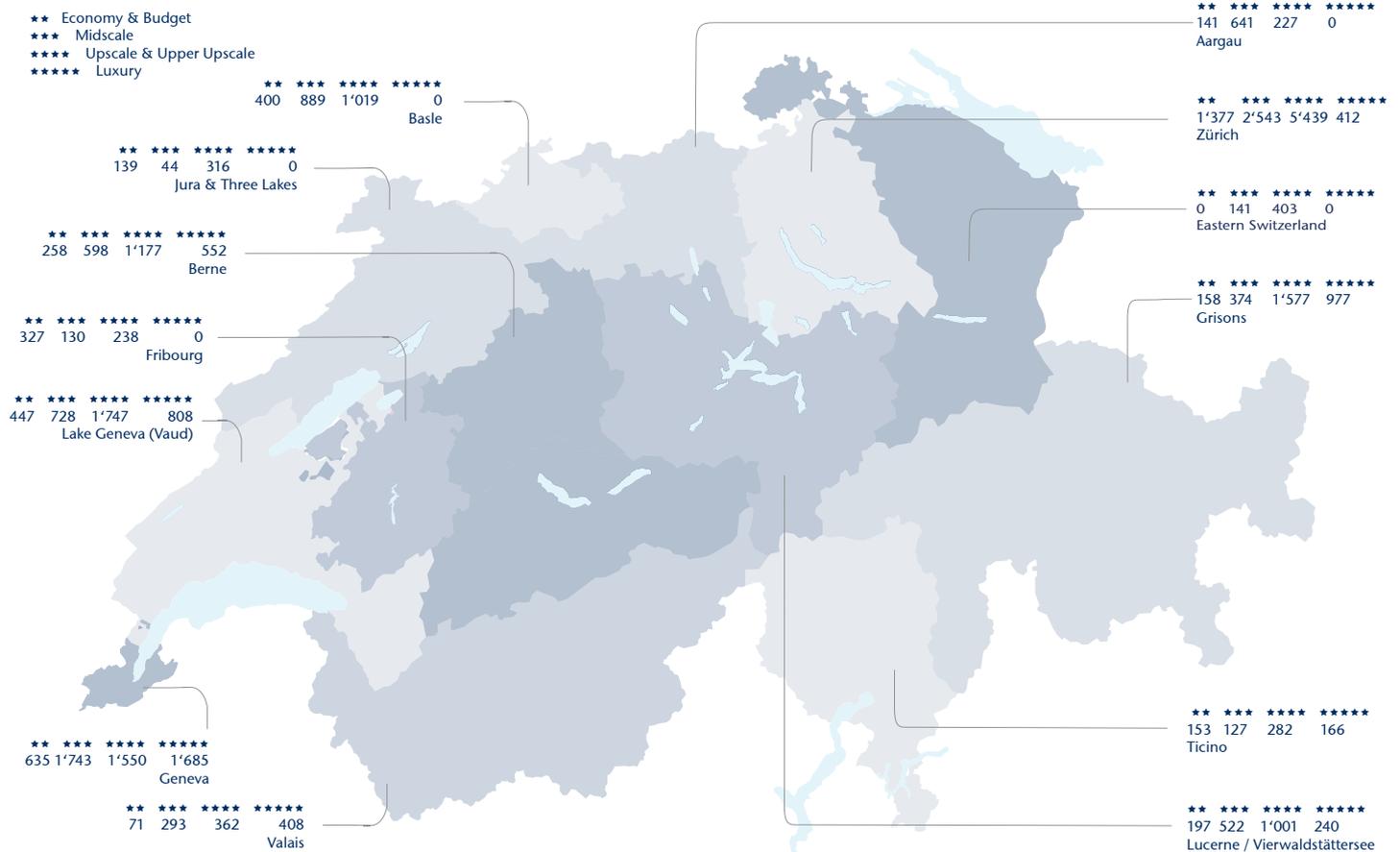


Chain hotels by category and number of brands, 2018 (Horwath HTL census)

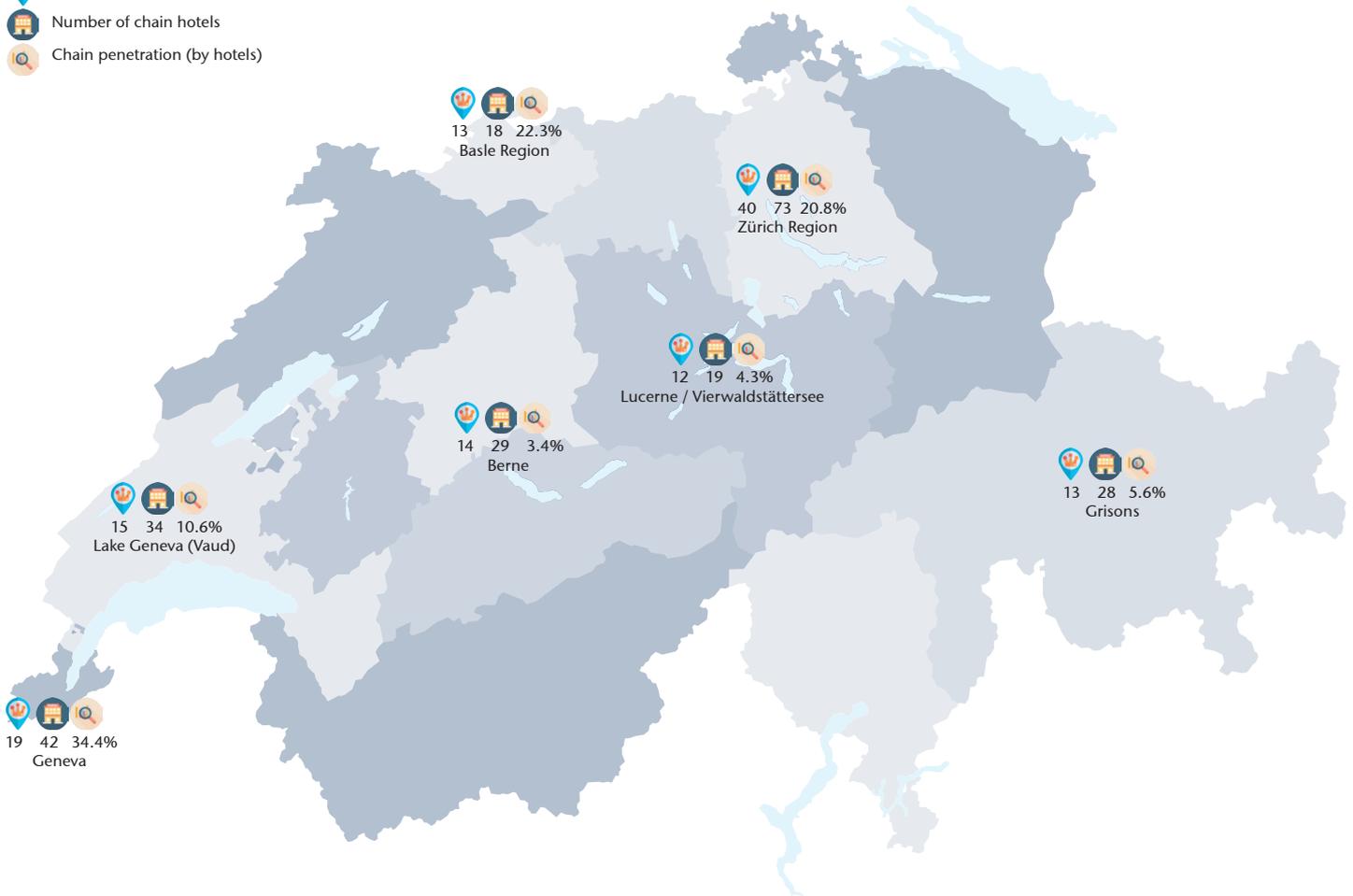


2018 Chains Hotels and Rooms by scale	Hotels	Rooms	Share in %	Avg Size
Budget & Economy	44	4'263	12,6%	97
Midscale	114	8'926	26,4%	78
Upscale & Upper-Upscale	116	15'338	45,4%	132
Luxury	38	5'248	15,5%	138
TOTAL	312	33'775	100,0%	108

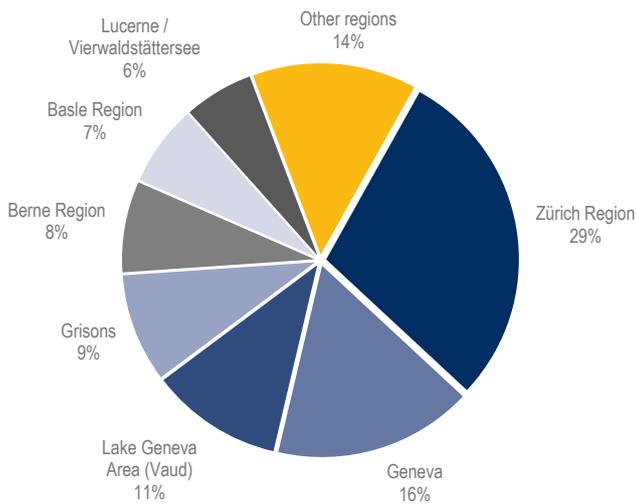
Regional distribution of chain affiliated room stock by scale, 2018



-  Number of brands
-  Number of chain hotels
-  Chain penetration (by hotels)



Chain rooms distribution among Swiss Tourism Regions, 2018

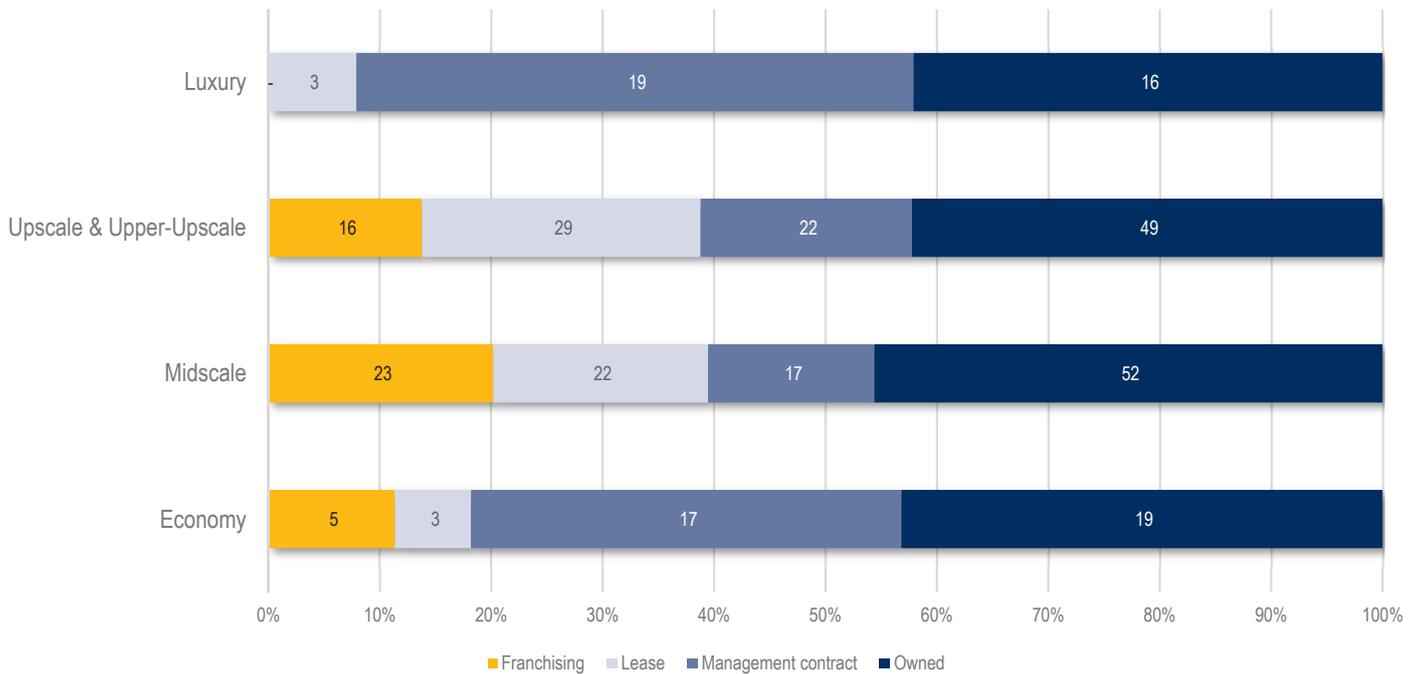


New runner-up in Chain Penetration

While Geneva remains the top chain (hotel) penetration performer at 34.4%, Zürich had to relinquish second place to Basle which now stands at 22.3%.

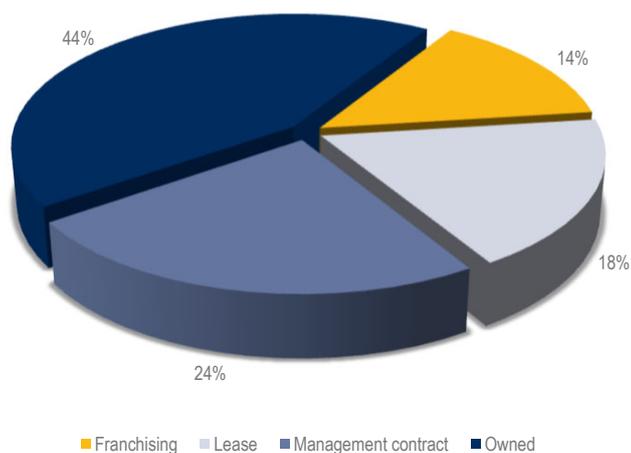
Another hotspot for chain hotel development is in the Lake Geneva Area, where 5 more chain hotels will be added in the years to come, four thereof branded.

Distribution of chain hotels by business model and scale 2017 (Horwath HTL Census)



By type of destination	Hotels				Rooms				Average Size			
	Franchise	Lease	Mgmt.	Owned	Franchise	Lease	Mgmt.	Owned	Franchise	Lease	Mgmt.	Owned
City	37	41	50	83	4'006	4'619	6'586	8'072	108	113	132	97
Conference	2	7	4	7	211	697	882	981	106	100	221	140
Mountain	4	3	8	24	279	402	823	2'070	70	134	103	86
Resort	1	5	10	15	244	477	772	1'452	244	95	77	97
Spa	0	0	3	7	0	0	441	638	-	-	147	91
Total	44	56	75	136	4'740	6'195	9'504	13'213	108	111	127	97

Distribution of chain hotels by business model (%)



Management becomes more popular

Compared to 2017, Lease and Management models saw almost equal increases (22% and 23% respectively), while owner operated hotels grew by 12%. The share of hotels under Management contract actually grew from 22% to 24% in just one year.

The Franchise model was the only one that recorded no change over the previous year.

Ownership is still predominately domestic at 72%.

Rank	Top 10 Chain Groups by Rooms in CH 2018	Hotels	Rooms
1	Accor	72	9'188
2	IHG	11	2'149
3	Marriott	13	2'002
4	Rezidor	5	1'058
5	Sorell Hotels	18	981
6	Sunstar Hotels	10	956
7	Best Western	14	935
8	Hotels by Fassbind	7	758
9	Boas Hotels	9	753
10	H Hotels	6	731

Rank	Top 10 Domestic Chain Groups by Rooms in CH 2018	Hotels	Rooms
1	Sorell	18	981
2	Sunstar Hotels	10	956
3	Hotels by Fassbind	7	758
4	Boas Hotels	9	753
5	Welcome Management	9	610
6	Manotel	6	610
7	Kempinski	2	596
8	Fassbind Hotels	6	521
9	Ferienverein	4	507
10	VJC	4	463

Rank	Top 10 Int. Chain Groups by Rooms in CH 2018	Hotels	Rooms
1	Accor	72	9'188
2	Intercontinental Hotels	11	2'149
3	Marriott	13	2'002
4	Radisson Hotel Group	7	1'382
5	Best Western Hotels	14	935
6	H Hotels	6	731
7	Katara Hospitality	5	658
8	Club Med	2	575
9	Motel One	2	543
10	NH Hoteles	4	522

Rank	Top 10 Chain Brands by Rooms in CH 2018	Hotels	Rooms
1	Ibis	25	2'539
2	Ibis budget	13	1'692
3	Mövenpick	5	1'306
4	Novotel	7	1'099
5	Radisson Blu	5	1'092
6	Sorell	18	981
7	Sunstar	10	956
8	Crowne Plaza	2	731
9	Ibis styles	8	719
10	Bürgenstock Selection	5	658

Rank	Domestic Chain Brands by Rooms in CH 2018	Hotels	Rooms
1	Sorell	18	981
2	Sunstar	10	956
3	Kempinski	2	596
4	by Fassbind	5	560
5	Ferienverein	4	507
6	VJC	4	463
7	Giardino	4	260
8	Swiss Night	2	198
9	Seiler Hotels	2	191

Rank	Top 10 Int. Chain Brands by Rooms in CH 2018	Hotels	Rooms
1	Ibis	25	2'539
2	Ibis budget	13	1'692
3	Mövenpick	5	1'306
4	Novotel	7	1'099
5	Radisson Blu	5	1'092
6	Crowne Plaza	2	731
7	Ibis styles	8	719
8	Best Western	10	660
9	Bürgenstock Selection	5	658
10	Swissotel	2	585

Rank	Economy & Midscale Brands	Hotels	Rooms
1	Ibis	24	2'437
2	Ibis budget	12	1'607
3	Sorell	13	737
4	Ibis styles	7	600
5	Motel One	2	543
6	Ferienverein	4	507
7	Holiday Inn Express	4	479
8	Best Western	7	473
9	Courtyard by Marriott	2	327
10	25 hours	2	296

Rank	Upscale & Upper-Up-scale Brands	Hotels	Rooms
1	Novotel	7	1'099
2	Sunstar	10	956
3	Mövenpick	4	956
4	Radisson BLU	4	848
5	Crowne Plaza	2	731
6	Swissotel	2	585
7	Club Med	2	575
8	NH	4	522
9	Holiday Inn	3	390
10	Renaissance	2	387

Rank	Luxury Brands	Hotels	Rooms
1	Kempinski	2	596
2	Intercontinental	2	549
3	VJC	4	463
4	Bürgenstock Selection	3	394
5	Mövenpick	1	350
6	Autograph Collection	2	275
7	Giardino	3	245
8	Fairmont	1	236
9	Mandarin Oriental	1	189
10	Seiler Hotels	1	150

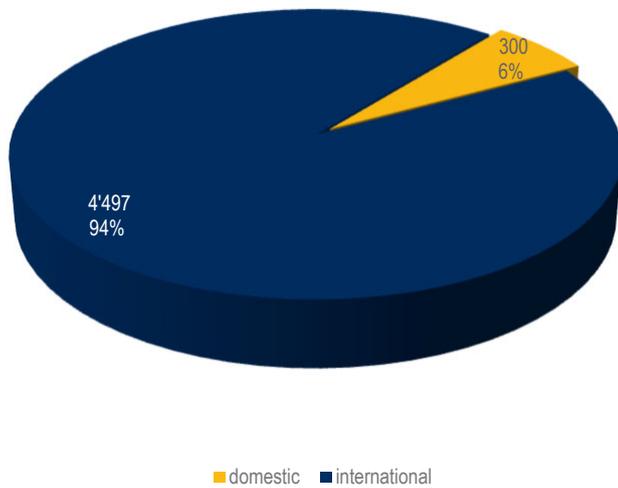
Go, and beat Accor

The only foreseeable way Accor would lose its no. 1 spot in the ranking would be by Accor being acquired by another group. Never say never, but rather unlikely at this point.

Sorell is now ranking first in the domestic chain group category after Mövenpick having been sold to Accor. They are slowly and steadily growing their portfolio that ranges from budget to upscale categories.

Pipeline 2019-21 by scale and NUTS region	Zürich		Espace Mittelland		Central CH		Lake Geneva Area		North-Western CH	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Budget & Economy	3	398	4	517			2	217	1	86
Midscale	5	874	4	212			6	765		
Upscale & Upper Upscale	5	672			1	160	1	140		
Luxury	1	250	1	264						
Total	15	2'194	9	993	1	160	9	1'122	1	86

share of rooms pipeline (incl. Re-branding) 2019-2021 among domestic and international brands (Horwath HTL Census)



There is no end to development in Zürich

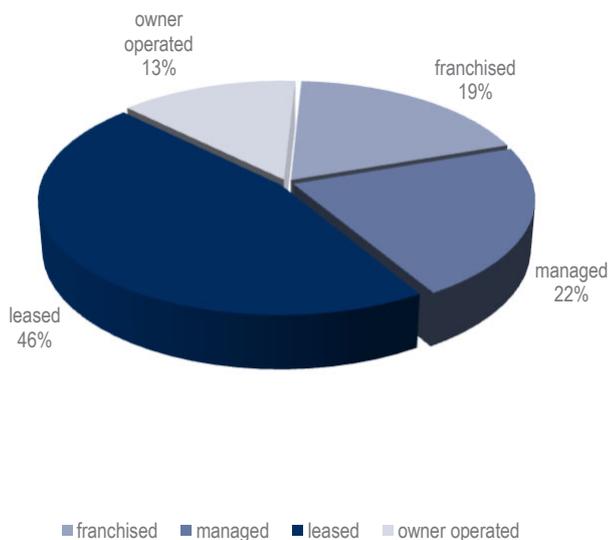
New chain affiliated openings in 2018 were pretty well spread throughout the country. The pipeline for the coming three years, however, shows a strong focus on Zürich, and the region from Geneva to Berne and Basle.

The total pipeline of chain hotels counts 38 hotels with a total of 4'797 rooms.

14 new brands will enter the Swiss market in the next three years. Only one of these new brands is of domestic origin: Stay Kooook by SV Hotels, who was to date known as a successful second-tier operator of hotels under Marriott brands. Their first openings have been announced for Berne and Nürnberg (Germany) in 2020.

As only few domestic hotel chains publish projects in their pipeline; this chain pipeline pie will always be more international chain heavy than reality will prove in hindsight.

2019-2021 pipeline by business model





All data on Swiss competitiveness and comparison with other EU states are based on BFS and Eurostat data as of December 31st, 2018.

This report contains evidences from the Horwath HTL census of operating chain hotels in Switzerland in the year 2018, as of December 31st, 2018.

All trading performance data referring to 2018 are full (total) 2018 year and are based on STR Global monthly outlooks.

For the purpose of the hotel chains census:

- Chains are corporations owning one or several hotel (or hostel) brands. Second tier operators, otherwise named white label operators, are chains who operate at least one hotel under a third party brand.
- A chain is any organization operating 5 or more hotels in the world - of which at least 1 is in Switzerland for the scope of this report - by owning, managing, leasing or franchising properties. Simple ownership, with no control on operations, does not qualify for being considered a chain.
- Light brands and the so called “voluntary affiliation networks” are not considered into the count.
- International chains are those with headquarter outside Switzerland; domestic chains are those with headquarter in Switzerland, including those that also have operations abroad.
- Investigation is based on voluntary cooperation of participating hotel chains and desk research covering several sources such as official websites, international and domestic chains directories, previous studies.
- As for the census, scales are based on the official classification of hotels (Swiss “stars” system) and do not represent the target positioning of the brand itself.
- Double counting of hotels managed by second tier operators and franchised by a chain has been avoided. Therefore, aggregated data is net of double-counting.
- For the scope of this report, pipeline hotels are counted separately and do not sum up into the census. Pipeline and re-branded hotels are counted together. Pipeline do not include the count of independent hotels. All hotels listed under a chain after December 31st 2018 are considered as pipeline.
- “Rooms” is used as equivalent to “keys”, even in the case of suites and apartments.
- All charts showing international and domestic chains may not sum up to overall because of second tier operated hotels.
- All projections have been elaborated by Horwath HTL.
- Some chains have been included in 2018 census either due to their recent growth in size, or because small groups had gone unnoticed in previous years.

For any enquire on the census methodology please contact the author, Michaela Wehrle at :
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Horwath HTL is the world's largest and most experienced hospitality consulting Brand, with 45 offices around the globe, who have successfully carried out over 20,000 assignments.

We are part of the Crowe Global network, a top 10 accounting and financial services network. We are the number one choice for companies and financial institutions looking to invest and develop in the industry.

Starting in New York in 1915, we have been providing impartial, specialist advice to our clients for over 100 years and are recognised as the market leader in all areas of hotel, tourism and leisure consulting. As the founders and original authors of the Uniform System of Accounts, the industry standard for hospitality accounting, Horwath HTL wrote the book on how the industry measures financial performance in hotels.



hotelleriesuisse has around 3,000 members. The majority of them are hotels.

hotelleriesuisse is responsible for the Swiss hotel classification, for negotiating the collective labour agreement for the hotel and restaurant industry which is binding on all employees within the Swiss hospitality industry, independent of any association membership.

Hotelleriesuisse maintains The Swiss Hotel Database with its more than 3,600 entries.

Hotelleriesuisse provides all levels of education, from basic to post-graduate, in all hospitality affiliated fields of expertise.

hotelleriesuisse is active at a national level in seeking a political framework which is hotel-friendly, thereby strengthening the competitiveness of each individual member. Always in a steady dialogue with politics, the economy and the public, hotelleriesuisse is a reliable partner and a first point of contact for professional concerns



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